

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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September 9, 2003

FROM: **EMIL A. MARZULLO**, Director
 Special Districts Department

**SUBJECT: APPROVE CONSTRUCTION CONTRACT FOR THE HIGH DESERT ESTATES
SEWER SYSTEM AND LENWOOD SEWER COLLECTION SYSTEM - COUNTY
SERVICE AREA 70, IMPROVEMENT ZONE S-7 (LENWOOD)**

RECOMMENDATION: Acting as the governing body of County Service Area 70, Improvement Zone S-7 (Lenwood):

1. Approve Construction Contract No. 03-____, with L. T. Engineering of Laguna Niguel, in the amount of \$4,410,610 for construction of a sewer line and manholes for High Desert Estates Collection Line (Base Bid #1) and a sewer collection system including lateral connections in the community of Lenwood (Base Bid #2).
2. Authorize the Director of Special Districts Department to file the Notice of Completion.
3. Direct the Auditor/Controller-Recorder to record the Notice of Completion.

BACKGROUND INFORMATION: County Service Area 70, Improvement Zone S-7 (CSA 70, S-7) was created as an assessment district and formed by the residents of Lenwood and High Desert Estates for the purpose of establishing and constructing a sewer collection facility. The Special Districts Department manages and operates sewer collections systems throughout the county, including CSA 70 S-7, in Lenwood. The Lenwood sewer project is designed to address sewer service in the communities of High Desert Estates (Phase 1) and Lenwood (Phase 2).

In High Desert Estates there is currently a sewer system, which is not operating effectively and needs to be upgraded. High Desert Estates, a 205 unit mobile home park, currently has a private sewage collection system which, due to design defects, is not functioning well, resulting in buildup of corrosive hydrogen sulfide gases which damage manholes and collection lines. The local Homeowners' Association has incurred high repair and maintenance costs due to this damage. Eliminating the existing lift station and making it a gravity flow system by connecting it to the City of Barstow's system at an appropriate location will accomplish this. In Lenwood, the improved properties are on septic systems. Lenwood, comprising 798 lots, approximately 630 of which are developed, currently experiences significant health and nuisance problems when septic tank leachate rises toward the surface in areas with poor percolation and thus creating a public health concern.

The Lenwood sewer project will:

1. Provide a complete public sewer system for the area;
2. Provide lateral connections from street to the homes;
3. Pump and backfill all existing septic systems;
4. Pay all connection fees to the City of Barstow; and
5. Repave streets to repair all asphalt cuts.

	Record of Action of the Board of Supervisors
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**APPROVE CONSTRUCTION CONTRACT FOR THE HIGH DESERT ESTATES SEWER
SYSTEM AND LENWOOD SEWER COLLECTION SYSTEM - COUNTY SERVICE AREA 70,
IMPROVEMENT ZONE S-7 (LENWOOD)
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On May 20, 2003, the Board approved the rejection of all bids previously advertised, authorized the re-advertisement for bids to construct the High Desert Estate Sewer Line 12,000-foot sewer pipe and manholes, approved the plans and specifications for the Lenwood Sewer System (Phase 2), as on file with the Special Districts Department, and authorized advertisement for bids to construct 40,000-feet of sewer pipe and manholes and laterals to homes for both High Desert Estates and Lenwood.

On July 31, 2003, bids were received and the results are as follows:

	Base Bid #1 <u>Phase 1</u>	Base Bid #2 <u>Phase 2</u>	<u>Total</u>
LT Engineering Inc.	\$608,850	\$3,801,760	\$4,410,610
Utah Pacific Construction	\$612,500	\$4,677,500	\$5,290,000
Sierra Cascade Construction, Inc	\$659,965	No Bid	
CNB	\$663,167	No Bid	
Bonadiman-McCain Inc.	\$913,433	No Bid	
Majich Bros., Inc.	\$945,550	No Bid	
Metro Builders & Engineers Group	\$967,375	\$3,849,390	\$4,816,765

Contractors had the option of bidding on one or both of the base bids. L.T. Engineering, Inc. is the low bidder for both Base Bid #1 and Base Bid #2. Staff therefore deems L.T. Engineering as being the best-qualified, lowest responsible bidder and recommends contract award in an amount not to exceed \$4,410,610.

REVIEW BY OTHERS: This action has been reviewed by County Counsel (Jean-Rene Basle) on August 24, 2002. This item was also reviewed by the County Administrative Office (Wayne Thies, Administrative Analyst) on August 27, 2003.

FINANCIAL IMPACT: To fund this project a grant for \$3,000,000 was obtained from the Environmental Protection Agency; a \$1,500,000 grant was obtained from the United States Department of Agriculture; and a low interest loan for \$2,500,000 was obtained from the United States Department of Agriculture. The loan repayment is the only portion that the property owners of Lenwood and the High Desert Estates will be responsible for. This project is included in the CSA 70, Improvement Zone S-7 Capital Improvement Budget for Fiscal Year 2003/2004 (SNJ-315) for \$7,047,496.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the department's proposal and recommends this action based on the necessity to continue the construction phase of this Capital Improvement Program project. This project has no impact to the County General Fund.

SUPERVISORIAL DISTRICT(S): First

PRESENTER: Jeff Rigney, 387-5941.

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